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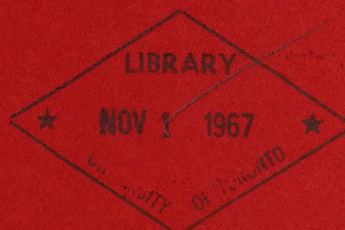
MEETING POVERTY



FACE
À LA
PAUVRETÉ

A Review of Manpower Programs

F.V.S. Goodman



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A REVIEW OF MANPOWER PROGRAMS

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I have been asked to describe the functions and programs of the Department of Manpower and Immigration in this part of the briefing sessions. The advertised purpose of these reviews is to make federal programs more widely known and to discuss their implications for agencies working at the community level.

This presents some difficulties, because the new Canada Manpower Division of the Department is itself a series of community agencies. The principal purpose of the Department is to make a manpower counselling service an integral part of community life. The measure of the Department's success will be the effectiveness of its service to local communities.

A point I would like to make then, before describing the Department's programs, is that while the new manpower program may have implications for other community agencies, the reverse is also true. We must assess and understand the effect of other community programs on the job that we can do. If the manpower department is to be at all successful, its activities must be coordinated with those of other agencies serving the community. It has to be a two-way process.

It may clarify the manpower program to look briefly at the reasons for the recent emphasis on manpower. Why so many articles in recent years on the economics of education, the trade-off between unemployment and inflation? Why are such large parts of the Economic Council's two reports devoted to manpower policy? Why is almost half of the activities of the OECD devoted to manpower? Why is the federal government's manpower policy now considered important enough to rate a minister exclusively for its implementation?

The pursuit of a full employment economy is part of the answer, but there is nothing really new about that. The creation of a climate conducive to full employment has been an explicit policy of the federal government for over 20 years. And, in the achievement of full employment, manpower policies as such are essentially secondary. The main determinants of full employment are the monetary and fiscal measures that are used to maintain or raise the level of investment and aggregate demand, or the ones used to even out business cycles.

The new element that has been added to make manpower policies and programs crucial to our welfare is the general acceptance of two other goals - a high rate of economic growth and an equitable distribution of income. These ends require for their implementation the development and full utilization of human talents and the elimination of poverty. Neither objective can be achieved without vigorous and effective manpower policies and programs.

An effective attack on the poverty problem depends in part on welfare programs, and on this score there is no doubt about the country's intentions. The recent legislation on pensions, the Canada Assistance Plan, medicare plans, and the growing number of proposals for a minimum income are evidence of rapid change in this field.

I would not want to under-estimate the importance of such programs. But they are only one of the two major parts of an attack on poverty. The other part lies in the fields of employment and productivity. It can be summed up as manpower policy, the purpose of which is to assist people to get jobs and do better jobs. Manpower policy is oriented toward employment, training for employment and greater efficiency in the utilization of manpower.

The urgent need for a more efficient use of manpower resources stems from the drive for economic growth. All countries have set themselves the goal of an accelerating rate of output. The nature of our economy makes it especially important for us to keep up with other countries. If we do not run as fast as others we will be liable, because of our dependence on foreign trade, to encounter great difficulties.

To sustain rapid growth means essentially increasing the productivity of workers, individually and collectively. It means reducing unemployment to low levels without introducing sustained inflationary pressures. It means a very sharp reduction in under-employment; that is to say, it involves the movement of workers from marginal and declining occupations into more productive jobs. It means a greater proportion of the adult population participating in employment, especially in rural areas, and among women.

Above all it means an accelerating rate of productivity growth in industry. And even more important, since that process has been well under way for some time, it means that the labour force must be shaped to catch up to and keep pace with the modern rate of progress in industry.

We need to be constantly reminded that the modern rate of industrial development and change is greater than it has been in the past-much greater. In our generation the accumulation of scientific knowledge has reached a kind of take-off point. The store of knowledge has enabled the range of industrial applications to widen enormously, and the time taken to bring these applications to the point of mass production has been drastically reduced.

The consequence is that the industrial environment in which we live, and the occupational equipment we need to make a living, are now changing more in a few years than they used to change in a hundred.

It is the accelerating rate of industrial change that is the new element in the labour market which accounts for the growing importance of manpower policy. In this environment it is enormously more important to keep track of and anticipate industrial and occupational changes, than it was in an era in which the occupation a person learned in his youth lasted a lifetime.

We are all familiar by now with the rapidity of occupational change - when we really think about it. It was, for example, only about 1958 that we became aware of a new kind of skilled occupation called a programmer. In the space of only 6 years programming has become a fully recognized occupation, which thousands of Canadians are taking up as a career. Indeed, it is already common enough to be in the list of Civil Service job classifications.

The other side of the coin of course is that old occupations are displaced. Electronic data processing is taking over many kinds of office work. We don't know what the eventual effect will be; it is fair to say, I think that the total effect is still uncertain. It is clear, however, that most occupations will change, and we can expect that a number of them will be eliminated.

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This and many similar kinds of industrial developments require adaptability by the displaced workers - and it is adaptability of an entirely new order. This is not easy, because resistance to change is a pretty basic part of everybody's makeup. But it must be overcome if we are to take full advantage of the many opportunities that arise out of industrial change. For those with a fair education and well developed skills it is not too difficult to learn a new occupation, but it is very hard to make the accompanying change in location that is often necessary.

The most difficult problems of adaptation, and the most prevalent, of course, are among those whose basic education is too low to allow them to take advantage of vocational training. These are the tough poverty problems, whose solution requires the development of new thinking, new concepts, new techniques, and, above all, coordination among the departments and agencies concerned.

The responsibility of government is to make that adjustment easier. Government can do this in a number of ways. It can provide better facilities for education and training; it can provide the kinds of training that will appeal to adults and be effective for them; it can provide a scale of allowances that will make training possible and worthwhile; it can provide resources which will enable people to move to locations where jobs are available; it can encourage industry to move to places where people need jobs; it can provide a capability that can be used by unions and management to ease the manpower adjustment problems that often arise out of industrial change.

Governments can and must do all these things, and more. But it is not enough to have the capacity to do them. They will be entirely inadequate without the means of making them effective for the individual worker and the individual employer.

That is the point and purpose of the new manpower department. Responsibility for all federal manpower measures have been concentrated in one department for the purpose of providing Canadians with a coordinated manpower service. In that way the individual will have in one location a comprehensive manpower counselling service. That can only

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be done at the community level; it can only be done successfully if the local manpower centre becomes the accepted place to get advice on employment matters. The local manager and his staff must be the recognized source of information and counsel on how to learn a better job, how to get a better job.

If the local manpower centre is to be a focal point for the community on matters related to employment, it will have to earn that position. For employers it will be a recruitment service, a source of information and assistance in setting up in-plant training programs, the place to learn about labour market developments in other parts of the country, the source of advice and assistance to help solve problems arising out of industrial change. For educational authorities it will be a means of recruiting adult candidates for training courses and a source of basic information for the development of curricula.

For the individual worker, or potential worker, the manpower centre must provide a first class counselling service which will assist him to get a job or do a better job. It must be the place where a man can get good advice on job prospects and job offers either in his own community or in other parts of the country. It will be a place where he can get assistance to move to another job or to take the training most suited to his capabilities and his employment objectives.

A counselling service of that calibre needs programs and personnel resources of a variety and quality that are not now available in every community. A substantial expansion of the present employment service will be necessary. As it becomes more comprehensive, the nature of the service is bound to change. The emphasis will shift from a mere job finding and placement operation, mainly for the unemployed, to a true manpower counselling service for the whole community.

One of the new requirements of this service will be an enlarged and improved labour market information system - more and better information of job vacancies and available skills and faster communication. More sophisticated techniques of forecasting at several levels will have to be developed. This will include an early warning system of layoffs and hirings in individual plants; occupation and industry forecasts by local area; a system of long-range forecasts of total labour

demand and supply and the implications of this for training and for immigration. The concomitant of an improved labour market service is a better system of placement and recruitment. That will involve, among other things, more and more highly trained, employment service officers and a greater capacity for assisting people to move to job opportunities.

The manpower service will be working more closely with industry than the employment service has done up to this point. There is scope for the development of greater participation by both government and industry in manpower planning, particularly in finding ways to ease the problems of industrial transition, and in expanding the scale of in-plant training programs.

The new manpower program is not going to be fully implemented overnight. The first major task has been an administrative one. It is to put together a new, coordinated organization and at the same time to carry out a very drastic decentralization of the organization. The major administrative responsibility is being transferred from Ottawa to five regional headquarters. Each of these regional centres will be responsible for a complete range of federal manpower services. There will be central policy but not central direction in problem-solving. The objectives of the organization will be national in scope, but the operations will be sensitive to regional differences and local needs.

The second task is to strengthen the resources of the service. Steps have been taken to select regional directors of appropriate calibre, and to increase the staff available to them. The Department is faced with an enormous recruiting drive to fill the positions already authorized. Priority has also been given to a major program of staff training.

Staff and organization are two key parts of an effective manpower service. The other essential ingredient is program support. A number of steps have already been taken in developing new programs and revising those that are not now doing the job required of them. In areas of new responsibility, other measures are being planned.

In training, the bases of operation are the Federal-Provincial Training Agreements which cover eleven different programs of research, capital assistance and technical and vocational training. The need to encourage adaptability among members of the existing work force puts priority on programs designed for adults, and it is here that a new initiative has recently been taken. This is the Training Allowance Act, which is now before Parliament. Its purpose is to raise the status of training, to have training clearly recognized as a productive activity - as productive as work and frequently much more difficult for many people.

At the moment training is treated in some ways as equivalent to unemployment. A person enrolled for example in a Program 5 course is paid not a training allowance as such but the appropriate allowance less any unemployment insurance benefit to which he is entitled. Even so, the total amount he receives is by no means adequate for a man with a family. The allowance system itself therefore provides no incentive, and no status to training, but tends to downgrade the training activity.

The new Training Allowance Act which is now under consideration by the Senate will do two things. It will pay training allowances independently of unemployment insurance; a trainee's unemployment insurance rights will be preserved while he is on course, and they will thus remain intact in case he needs them later on. The Act will also allow the payment of a training allowance on a much higher scale than it has been up to this point. The basic rate for those eligible will be \$35 a week, to be borne entirely by the federal government. The federal government will also pay 90 per cent of supplementary allowances up to a maximum (basic plus supplementary) of \$90 a week. The level of supplementary allowance will, of course, be determined by the provinces. They will no doubt vary from one part of the country to the other, depending on average income levels.

The Canada Manpower Division will be responsible for the selection and referral of eligible people to training courses that come under the new system of Training Allowances. Those eligible will be the unemployed, the vocationally handicapped and own-account workers in primary industry.

The provincial training authorities will, of course, determine whether those referred should be accepted for training, how long they continue, and the nature and content of courses.

The second new development designed to stimulate adult training is a series of experimental training projects. These pilot projects will be established in selected areas to discover what methods and techniques are needed to induce a larger proportion of the unemployed and under-employed to improve their skills through training. The projects will be set up in problem areas, where labour is substantially under-utilized and where the levels of industrial skill need to be raised substantially. With expert and imaginative direction, and independence from bureaucratic control, the expectation is that these projects should add significantly to our knowledge about effective methods of training adults.

Each project will be financed by the federal government, but set up jointly with the province concerned. The operational direction will be firmly detached from governmental administration. Each project will be headed by a Director who will have complete freedom to experiment within the broad field of adult training.

A third major new manpower development is the new mobility program which went into operation at the beginning of this year. This program is designed to offset, at least in part, the financial obstacles which face many unemployed and under-employed people who wish to move to jobs out of reach of their present homes. The program provides assistance in the form of either a loan or a grant, according to circumstances. The loans and grants cover the transportation costs of the worker, his dependents, and household effects, and an allowance of up to \$1000, depending on the size of the family, for settling in at the new location.

Many components of the manpower program are, at this stage, only on the drawing board. Some of the more important of these are the labour market analysis and information service, and much of the research and evaluation capability that the Department will eventually have. These are highly specialized services for which people can not be recruited quickly. Indeed, the basic services of information and counselling in the manpower centres in each community can be built up, to the extent required, only by a long process of staff recruitment and development.

What is being undertaken is very ambitious. It will take quite a time to get into anything near full operation. But it is the fundamental action in an attack on the distinctive modern problem of poverty. That problem arises from the fact that, in an era of increasingly rapid technological and economic change, productive employment depends increasingly on more sophisticated knowledge and an improved capacity of the individual to adapt to new work requirements. Those are the essential objectives that manpower programs must try to achieve for the whole community, and thereby help particularly those who are at present least able to help themselves.

(Note: This paper was prepared for presentation at the Canadian Conference on Social Welfare, Vancouver, June 21, 1966.)

